

No. The chance of an audit of an *e-filed* return is no greater than with a paper return.

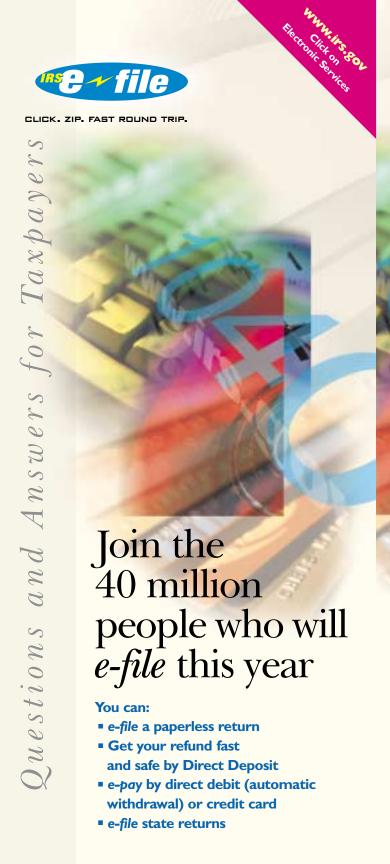
Can my state tax return be e-filed with my Federal return at the same time?

Yes. All states with income taxes and the District of Columbia have *e-file* programs. For additional information ask your Authorized IRS *e-file* Provider or go to the IRS web site, www.irs.gov/prod/elec svs/fed state2.html.

Where can I get additional information about IRS e-file?

Visit the IRS web site at www.irs.gov, click on "Electronic Services".





RS *e-file* is a way to electronically file a Federal Income Tax Return. It is a fast, accurate, safe and paperless way to file a return AND you get your refund in half the usual time — even faster and safer with Direct Deposit. If there is a balance due, you can *e-file* and *e-pay* in a single step. Ask your Authorized IRS *e-file* Provider how to *e-file* today!

What is an Authorized IRS e-file Provider?

An Authorized IRS *e-file* Provider is a tax professional or firm who is accepted into the IRS electronic filing program. One type of Authorized IRS *e-file* Provider is an Electronic Return Originator (ERO). An ERO is a person or firm that taxpayers entrust with tax information for the purpose of filing income tax returns electronically in the IRS *e-file* program.

What do I gain by using IRS e-file?

Fast Refunds! Electronic Payments!
Accuracy! Security! Proof from the
IRS within 48 hours that your return was
accepted! Your chance of receiving an
error notice is reduced. IRS *e-file* is more
accurate (less than 1% error rate) than

paper. Your tax return is transmitted from the ERO's computer to the IRS. Your Federal and state returns may be filed together. Only IRS *e-file* offers these advantages.

Do I really get my refund faster?

You get it back in half the usual time. It's even faster and safer if you have your refund deposited directly to your bank account. Ask your Authorized IRS *e-file* Provider for the estimated date of deposit. For more information about Direct Deposit, go to the Financial Management Service (FMS) web site, www.fms.treas.gov/eft/.

4 Is there a fee for IRS e-file?

Your Authorized IRS *e-file* Provider will be glad to explain the fees for tax preparation and *e-filing*. Fees are not based on any figures from your tax return. The IRS does not charge a fee for *e-filing*.

If I owe how do I pay my taxes electronically?

You can authorize a direct debit (automatic withdrawal) from your checking or savings account at the time your electronic Tax Year 2000 Individual Income Tax Return is prepared. You can also *e-pay* by credit card. If you *e-pay* by credit card, you delay out-of-pocket expenses and may earn miles, points, rewards or money back from your credit card issuer. Payment by check or money order is acceptable.



What types of Federal income taxes can I pay electronically?

You can make a payment for your (1) balance due on a Tax Year 2000 Individual Income Tax Return (Form 1040 series), (2) Tax Year 2000 Form 4868 (Automatic Extension of Time to File), and (3) Tax Year 2001 Form 1040-ES.

How can I pay by direct debit (automatic withdrawal) from my checking or savings account?

You can authorize a direct debit (automatic withdrawal) from your checking or savings account at the time your electronic Tax Year 2000 Individual Income Tax Return is prepared. You can schedule an automatic withdrawal for a future date up to April 16, 2001. Direct debit (automatic withdrawal) payments cannot be initiated after the return is transmitted. You need to know your bank account number and the routing transit number of your financial institution. Check with your financial institution to be sure that electronic fund transfers can be authorized from your designated bank account (money management accounts, money market accounts, certificate of deposit accounts and some credit union savings accounts do not allow for such transactions). The tax payment is listed on your bank statement as a "United States Treasury Tax Payment" as proof of payment.

How can I pay by credit card and which credit cards are accepted?

Credit card payments must be made electronically. You can *e-file* and *e-pay* by credit card if the tax preparation software includes this option. You may also pay by phone (1-800-2PAY-TAXSM or 1-888-ALLTAXX, toll-free) or Internet (*www. officialpayments.com* or *www.about1888ALLTAXX.com*) using a Discover Card®, American Express® Card or MasterCard® Card. You can make partial payments by phone or Internet, but there is a limit to the maximum number of payments for each tax type (Form 1040 series, Form 4868 or Form 1040-ES).

You will be provided a confirmation number at the end of the payment transaction and your credit card statement will provide confirmation of your electronic payment.

Is there a fee charged for using my credit card?

The company that processes the credit card payment charges a convenience fee. You are informed of the convenience fee amount before you authorize the payment. This fee is in addition to any charges, such as interest, that may be assessed by your credit card issuer.

Can I pay my balance due by phone or Internet with a credit card if I'm a "married filing joint" filer?

Yes. Just be sure to enter the Social Security Number of the first taxpayer listed on the return's pre-printed mailing label or post card.

1 Is the IRS storing credit card information?

No. IRS does not have access to credit card numbers or directly participate in the credit card transactions. The IRS relies on private credit card processors to verify the validity of the card and line of credit. The processors forward the appropriate tax payment information to the IRS.

What if I owe and cannot pay the full balance due?

The tax preparation software used by your tax professional may allow you to make partial payments. If partial payments are allowed, you can make a payment for less than the balance due amount on your return. If you cannot pay in full by April 16, 2001, you can file Form 9465, *Installment Agreement Request*. This form is available electronically. An approved Installment Agreement allows you to make a predetermined series of partial payments after April 16, 2001. Regardless of how you pay, you are responsible for paying the amount of tax due by April 16, 2001, or you will be subject to late payment penalties and interest.

What happens if my return is filed electronically, I am receiving a refund, and I owe taxes from previous years?

The amount owed on back taxes is automatically deducted from your refund just as if you filed a paper return. If you go to a tax preparer in order to get a Refund Anticipation Loan (RAL), you must tell your tax preparer that you owe back taxes.

If my return is electronic, how do I sign it?

The most convenient way for you to sign your electronic return is to use a self-selected Personal Identification Number (PIN) — and it's completely paperless! If you do not choose to self-select a PIN, you simply sign a signature document, Form 8453, *U.S. Individual Income Tax Declaration for an IRS e-file Return*. If you are under the age of 16 and filing your first tax return or if your return contains a signature form required to be submitted to IRS, you must use Form 8453.

What is the Self-Select PIN?

The Self-Select PIN feature allows you to electronically sign a tax return and file a paperless tax return. The process includes self-selecting a five-digit Personal Identification Number (PIN) and entering two pieces of information from your prior year's tax return. The Self-Select PIN actually takes the place of Form 8453. The five-digit PIN is your official signature, therefore, you do not have to send in Form 8453.

How do I know that the IRS really has my return?

The IRS notifies your Authorized IRS *e-file* Provider that your return information was received within 48 hours of transmission. If the IRS detects any errors, it sends a message back to the Authorized IRS *e-file* Provider indicating the error. The error is corrected and the return is retransmitted to the IRS.